

# CATHERINE GORTNER

## PROPERTIES

October 25, 2005

RE: "Competition and the Real Estate Workshop" -- Comment, Project No. V050015

Dear Federal Trade Commission,

I entered real estate approximately 3 years ago from the computer industry. In the computer industry I saw powerful industry executives and huge computer companies securing substantial market share so that their captive client base had little choice but to continue patronizing that company and "upgrading" their systems with that computer company's products. Microsoft is an excellent example of lack of practical, viable choices for PC operating system except for only one other, Apple.

Real estate, on the other hand, is comprised predominantly of independent contractors. Those competing contractors have a wide variety of business models and service offerings. Not only do customized service offerings vary, but fees also vary tremendously. And the very high attrition in real estate is evidence of the highly competitive nature of the real estate business. Of course, the agents that do succeed do so typically because they offer superior value to their clients. Healthy competition should lead to better services and better value for the benefit of the client: home buyers and sellers. In my own brokerage, for example, I offer 3 different sets of services with 3 different fee structures. The client chooses what he or she prefers. And if one of my 3 sets of services is not 100% what they are looking for, we will typically discuss their wishes and create a plan that completely satisfies their needs.

I am also on the Board of Directors of our local MLS. The MLS is a cooperative, if you will, that actually facilitates further broker-to-broker offers of cooperation and compensation that helps both brokers and customers buy and sell homes. It is not a public utility, nor should it be. The value of the MLS to homeowners, clients and real estate brokerages is that it is a very effective means to market and find homes. It also "levels the playing field" between big brokers and small brokers so all have an access to an inventory of property listings that we are able to show and sell to our clients. The rules of the MLS achieve a delicate balance between respecting the rights of listing brokers so they will continue to be willing to contribute their inventory of listings and permitting cooperating brokers the ability to show those listings and be assured of receiving compensation if they bring about a successful sale.

Finally, from my perspective, the new IDL policy is a win-win for consumers and REALTORS®. It works for consumers because it gives home sellers a choice whether to permit marketing of their property on the Internet and in selecting an MLS member with whom they want to work. It allows them to "opt-in" and have their property displayed on other brokers' Web sites even if they are working with a broker who does not participate in sharing his listings for display by his competitors. And it works for REALTORS® because it gives us the right to control where our listings are displayed on the Internet.

[www.CGProp.us](http://www.CGProp.us)

Thank you for considering these comments.

Sincerely yours,

Catherine Gortner  
*Real Estate Broker-Owner*

*2004-2005 RE InfoLink ("MLS") Board of Directors  
2005 California Association of REALTORS Board of Directors*